



Senate

General Assembly

February Session, 2008

File No. 651

Senate Bill No. 599

Senate, April 17, 2008

The Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING A PRERETIREMENT SPOUSAL BENEFIT
UNDER THE STATE EMPLOYEES RETIREMENT SYSTEM.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 5-192r of the general statutes is amended by
2 adding subsection (d) as follows (*Effective from passage*):

3 (NEW) (d) Notwithstanding the provisions of chapter 66, if a
4 member of tier II who is continuing to earn vesting service or who is
5 on a leave authorized by the state or otherwise granted pursuant to the
6 terms of the appropriate collective bargaining agreement, dies, on or
7 after January 1, 2002, as a result of cessation of life support (1) not
8 more than six months prior to completing the age and service
9 requirements for retirement under section 5-192l, 5-192m or 5-192n,
10 and (2) without completing twenty-five years of vesting service, such
11 member's spouse, provided they have been lawfully married for at
12 least the twelve months preceding the member's death, and upon
13 application to the Retirement Commission, shall be entitled to receive a
14 preretirement death benefit in accordance with subsection (a) of this

- 15 section. Such benefit shall be awarded prospectively from the date of
16 application to the commission.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	5-192r

APP *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect	FY 09 \$	FY 10 \$
State Comptroller - Fringe Benefits	Various - Cost	Yes, See Below	Yes, See Below

Municipal Impact: None

Explanation

The bill allows the surviving spouse of a state employee to qualify for a pre-retirement death benefit. The provision of this benefit will increase the unfunded liability of the State Employees' Retirement System (SERS). The exact impact must be calculated by the system's actuary. Additionally, the bill would make the spouse eligible for the state's retiree health insurance. The cost of retiree health insurance varies by a member's age, plan and form of coverage. For example, individual coverage for the BlueCare POE plan for a retiree under 65 is estimated to be \$9,200 in FY 09.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OFA Bill Analysis**SB 599*****AN ACT CONCERNING A PRERETIREMENT SPOUSAL BENEFIT
UNDER THE STATE EMPLOYEES RETIREMENT SYSTEM.*****SUMMARY:**

The bill allows the surviving spouse of a state employee who was a Tier II member of the State Employees' Retirement System (SERS) to qualify for a pre-retirement death benefit. The bill establishes criteria that must be met in order for the surviving spouse to be entitled to the benefit.

The criteria established in the bill are as follows: (1) the SERS member died on or after 1/1/02 due to cessation of life support, died not more than six months prior to retirement eligibility; (2) died without completing 25 years of vesting service; and (3) was lawfully married for 12 months prior to the member's death.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Appropriations Committee

Joint Favorable

Yea 51 Nay 0 (4/11/2008)